

**MINUTES
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
LOAN COMMITTEE**

**Tuesday, January 12, 2016
Room 604, City Hall, 1:00 p.m.**

ROLL CALL:

Gary Delveaux	x	Ald. Tim De Wane	Exc.
Matt Schueller	x	Mike Vogel	Exc.
Mike Borlee	x		

Others Present: Kevin Vonck, Julia Upfal, Economic Development; Rachel Miller, R & B Miller LLC dba Monkey Tailz Ice Cream and Frozen Yogurt.

The meeting was called to order by G. Delveaux at 1:00 p.m. All members were present as indicated above.

1. Approval of minutes from August 20, 2015 meeting

Motion to approve the minutes of the August 20, 2015 meeting of the Revolving Loan Fund Committee made by M. Schueller, seconded by M. Borlee. Motion carried.

2. Reconsideration of terms for RLF loan to R & B Miller LLC dba Monkey Tailz Ice Cream and Frozen Yogurt.

K. Vonck stated that the RLF committee received a memo requesting to modify the terms. To have an interest only payment for 6 months and then reverting back to regular payments with that additional principle put in for the remainder of the term is definitely viable. Monkey Tailz is a seasonal business and the City staff totally supports this and would recommend the committee to support this as well.

R. Miller stated that they received a \$69,000 RLF loan in June 2014 when they opened their business on Broadway. The funds went towards purchasing their equipment and it left them without much operating expenses. Since the business is seasonal, they have only been open for one summer and this is the second winter. The business is struggling to make the payments and the revenue is down during the winter months versus the summer. R. Miller stated they are asking to decrease their loan payments for a small period of time and continue to keep the business operating.

G. Delveaux asked how they did in the summer.

R. Miller stated the summer went very well for them and the farmers market on Broadway is wonderful. The market helps bring awareness and people down into their business and it has created a nice clientele customer base and that continues to grow as more people know that there is an ice cream and frozen yogurt business on Broadway.

R. Miller stated that they are doing some research and may expand their business by offering some food in their store such as sandwiches, salads, and soups.

M. Borlee asked if they were to back out early of their five year lease would there be a penalty clause?

R. Miller stated they do have a five year lease and they are locked in.

M. Borlee asked how close they are to their actual revenue growth projections.

R. Miller stated during the summer months they are right on with the revenue growth projections. The winter months they have seen growth but being a new business it is hard having every dollar from their loan going to equipment which leaves them with not a lot for operating expenses.

Motion made by M. Schueller, seconded by M. Borlee that the committee would for the next 6 months suspend payments to the interest only so the total payment for the next 6 months would be \$185.98 per month and then follow back to the loan amortization schedule. In August of 2016, the committee would return back to a regular payment schedule. Motion carried.

3. Review the status of outstanding loans.

Motion by M. Borlee, seconded by M. Schueller to receive and place the report on file. Motion carried.

4. Adjourn

There being no further business, a motion to adjourn was made by M. Borlee, seconded by M. Schueller. Motion carried.